Textile is one of the oldest industries of Indian economy with annals dating back to Vedic period. It is a highly labour intensive and one of the largest employers. Despite the fact that, India is the second most populous country in world with maximum population of youth, Textile industry finds it difficult to engage labours for job. Besides the statutory welfare benefits as mentioned under various labour laws, companies are offering other (non-statutory) benefits to attract and retain employees like housing, loan, cooperative shops, transportation etc.

The paper examines the non-statutory practices adopted by textile companies in general and especially by companies at Pithampur in particular. The work attempts to understand the perception of labours towards these benefits provided based on employment status and gender.

Keywords: Labour, Welfare, Non-Statutory welfare, Textile, Pithampur

INTRODUCTION

Welfare of labour has been stressed under various enactments. Besides enactments companies also provide some facilities beyond the legal requirements. These welfare facilities not only make the working environment more humane but also add to the real income of the labour. It should not be seen as charity rather as a business interest of the company. Providing transport facility would ensure that workers arrive on time and are least prone to any accident on the highway road. Hence going beyond the statutory norms of welfare will benefit workers as well as organisations. Some companies do it religiously may it be children education, medical assistance beyond ESIC, ambulance facility to worker’s family, excursion just to name a few (Chhabra & Kushwah, 2012). The ILO’s expert committee on welfare facilities, 1963, divided the entire welfare services into two broad categories – Welfare and amenities within the boundaries of the establishment (intra mural) and Welfare outside the establishment (extra mural) (National Commission on Labour, 1967).

Details of some of the non – statutory provisions are provided as under -

Co-operative society - the role of cooperative stores / fair shops plays the role of providing essential daily need items to the works. The main objectives of the consumer cooperative are – to provide members with quality food grains, cloths and daily needs at a fair price (lower than the market rate), to protect members from the vagaries of middlemen and adulteration, to save workers from moneylenders, to develop a habit of mutual cooperation, trust & honesty (the essence of cooperative) and to ensure the supply of scarce commodity.

Committee on labour welfare had made suggestions regarding improvement of consumer co-operative stores. The main among them are – employers should encourage such cooperatives and government should support such initiatives, if possible such shops to be located in workers colony and trade unions should play a positive role in the cooperative movement (Sarma, 2005).

Educational Facilities to workers & their children – Education plays an important role in accelerating our socio-economic progress (Sarma, 2005). Providing education to workers can be beneficial to both the parties – to organisation for the reason that the comprehension of matters relating to workers may increase and it may lead to a better understanding by workers and hence a cooperative attitude would develop. They cannot
be misled. To workers – advancement in education would lead them to attain new positions in organization and give a better life to their family. Thus it would increase their status and since they would be educated they would understand the importance of education for their children. Hence it would build a virtuous circle.

Many organisation extend direct and indirect support to workers in this regard. Providing library facility – where books, magazines and newspapers would enlighten the workers, some concessions to workers who have enrolled themselves for further courses and even suggesting workers some vocational courses which could help them, in their career progression. Madhya Pradesh labour welfare board provides scholarship to worker’s children, distributes copies at a confessionals rate (10 copies per child- maximum upto two children), sweater to girl students are note worth efforts (M.P. Labour Welfare Board, 2010).

Loan facility - workers will small incomes may need loan facility for various purposes like purchase of grains, vehicles, house, sickness, marriage of daughter/son, ceremony etc. MP welfare board provides extends some help in terms of Rs. 5000/- for marriage of an employed female worker or marriage of two daughters, treatment of illness or if the worker meets an accident and to undergo treatment in government or recognized hospital to a maximum of Rs. 5000/-, Rs. 2000/- as funeral expenses to the dependant and pension of Rs 500/- to the widower of the deceased worker. These benefits are available to the workers of the registered establishments and provided no other benefits are available under any other scheme (M.P. Labour Welfare Board, 2010).

Employers also provide for loan facility to workers which is payable in easy monthly installments. Employers have different criteria to determine the eligibility of workers like length of service, worker status i.e. permanent or contractual, company policy and in many cases need basis.

One may question that with banks and other financial institutions already in place should employers be extending loan facility? Probably if not money lenders who charge exorbitant interest rates which drains a significant amount from workers’ income, the next easiest hassle free and quickly available option to worker is the employer. The company would have its own policy regarding loan and repayment which would be known to workers too and which would be far better than any money lender. Availability of loans from banks and their ‘procedures’ are well known! Hence a simple rule may govern a friend in need is a friend indeed i.e you take care of me and I would be there during your tough times.

Transport - Industrial areas and estates are usually established in the outskirts or a bit far from the town/cities. In initial years commuting of the workforce to & fro may be an issue till either workers settle in the worker’s colonies or public transport system develops which connects to nearby places. Many companies provide vehicle service to pick up and drop facility to their employees. Some companies provide conveyance allowance to cover up the expenses by the worker in commuting. Few companies provide petrol allowance too (Durai, 2010). Providing transport ensures that workers arrive safely and on time in the premises and reach home safely back. According to ILO’s Recommendation no. 102, “Wherever necessary, undertakings should arrange for adequate transport facilities to be available, either through the services of public transport or otherwise, to meet the needs of shift workers at times of the day and night when ordinary public transport facilities are inadequate, impracticable or non-existent”. (ILO, 1956)

Recreation Facilities - All work and no play made jack a dull boy. Recreation facilities like sports, arts, painting, reading and cultural programs are being provided by companies. Though there is no statutory setup in this regard but many employers provide for recreation facilities (Kumar, 2011). Recreation facility brings in a sense of discipline and a climate for industrial peace and harmony (Sivarethimamohan, 2010). Researcher has indicated that physical activities can boost employees’ performance (Rulistia, 2012). Recreation relaxes mind, reduces stress, boost confidence and self-esteem and improves health. It also has a positive impact on job satisfaction (92%), quality of service and customer satisfaction (72%) enhanced productivity (77.5%) and a better work-life balance. Owing to these benefits should offer recreational facilities keeping in mind the preference, age and gender of employees (Mokaya and Gitari, 2012).

As per ILO’s Recommendation no. 102 regarding the welfare of workers “appropriate measures should be taken to encourage the provision of recreation facilities for the workers in or near the undertaking in which they are employed, however the workers should not be under any obligation to participate in the utilisation of any of the facilities provided” (ILO, 1956). Just a word of caution attached – the facilities like gym, swimming and other facilities should be made available within the premises only under supervision. Companies should be cautious in providing on-site recreation facilities as in case of aruling by Tennessee Supreme Court regarding Worker’s Compensation case in Anderson County where the death of an employee...
by heart attack was attributed to the basketball game he played on company property during his break (National Organisation of Injured Workers, 2008).

Government in order to bring in a regional balance has identified the so called sub-urban or rural areas for the formation of industrial clusters and industrial estates. These areas may be away from the nearby town/city where facilities are available. The companies setting up operations need to develop housing provisions for two clear benefits – 1. To attract the workforce from outside areas, 2. These colonies make sure the availability of workers in case of any emergency or a smooth supply of workers.

Sectorial Application: It is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly (IBEF, 2018). It is one of the many labor intensive sectors (Ambekar Institute for Labour Studies, Nd). To manufacture various categories of products trained work force is required. This skilled and trained workforce is the major role player and the strategic resource to organizational success (Srivastava & Chatterjee, 2014). But textile companies usually face shortage of workers especially skilled manpower. Getting skilled manpower is a bigger challenge for textile companies (Chatterjee, 2011). Charterjee (2011), quoting an ASSOCHAM survey of 100 textile firms in major production hubs of India, indicated that the production capacities are underutilized due to shortage of skilled manpower and some of them are even not able to meet their sales target. Similarly the textile hub of southern India – Coimbatore also faced labor shortage (Fibre2fashion News Desk, 2010).

There are two probable ways to overcome this shortage. First by linking manpower supply with some government scheme like textile ministry had proposed to link employment guarantee scheme with industry to attract workers (PTI, 2013). A company at Pithampur would employ 500 tribal youth being trained by Madhya Pradesh Council of Employment and Training (MAPCET) being run by Tribal Welfare Department. Such initiative may provide some influx of talent (MVO News, 2011).

Second measure is to attract workers by extending more and better welfare facilities. The same was echoed by Mr. V Regurajan, Joint Secretary (Legal) in the Southern India Mills Association (SIMA), “The impact of labour shortage will clearly mean increase in wages and more welfare facilities will have to be created to attract workers” (Fibre2fashion News Desk, 2010). D’souza (2013) also reported that owing to shortage of labour and attrition textile companies have to elevate wages and offer other benefits to retain labourers. Earlier, major players offered these incentives but now even small and medium sectors in order to retain labourers have been forced to offer incentives. Free or subsidized meals, along with accommodation, bonus on referrals, health checks and insurance are some offerings.

Since statutory norms are mandated hence stress is laid on non-statutory welfare provisions. Providing for housing mostly within campus and / or renting dormitories outside ensures workforce availability, cooperative shop (though hardly seen in the study area), is operated to provide for daily needs at a concessional rate (which the company plans to expand in terms of the depth of merchandise), extending loans with easy repayment options, leaves and conveyance facility (even at times to go for grocery shopping, pick up and drop at station) and are worth mentioning. Contractual labours are less seen employed with textile (refer table 1.2) clubbed with the shortage of labour and the gender composition may eventually move the companies to provide or adopt measures which are not only mandated but otherwise also helpful in attracting and retaining workers.

REVIEW OF LITERATURE

Mohan and Rao (2016-17) in their study of select textile units in Guntur District of Andhra Pradesh found that there is a strong correlation between the implementation of labour welfare measures and the level of satisfaction among the employees. More and Patil (2015), in their study of textile industry in Dhule district, summarized that all welfare activities undertaken to motivate its employees and utilize their optimum capacity and almost all employee are satisfied with welfare facilities. Nithyavathi (2016), states that textile being a highly labor intensive industry needs to concentrate more in the area of employee welfare. As per this study, welfare measures plays important role in employee satisfaction and it results in improved quality of work life and includes all efforts to make life worth living for workmen.

Joseph, Joseph & Varghese (2009) state that labour welfare activities in India started in 1837 and it has shaped itself through steps taken by planning commission, central & state government, public & private sector
organizations and trade unions. Labour welfare includes all the methods adopted to promote the physical, social, and psychological well-being of the working population. There are many differences in the practices based on company, nature of work, region, and country. The paper discusses about the various steps government has taken to promote the welfare of workers. Private sector organizations have taken initiatives to promote workers welfare like educational facilities (for promoting their mental & physical development), medical facilities, transport facilities (especially for those workers residing at a long distance), recreational facilities and housing are notable. However, a lot more needs to be done.

Mishra and Bhagat (2007) said that principles for successful implementation of labor welfare activities range from adequacy of wages to impact on efficiency as well as transformation of personality. In nutshell, it is extension of democratic values in an industrialized society. They found a high rate of labor absenteeism in Indian industries which is indicative of the lack of commitment on the part of the workers. But it can be reduced to a great extent by provision of good housing, health and family care, canteens, educational and training facilities and provision of welfare activities. These enable the workers to live a richer and more satisfactory life and contribute not only to the productivity of labor, efficiency of the enterprise but also helps in maintaining industrial peace. Hence, steps need to be taken on a larger scale to improve the quality of life of the workers.

OBJECTIVES

- To study the impact of gender on the perception of workers regarding the non-statutory welfare measures.
- To study the impact of worker’s status on the perception of workers regarding the non-statutory welfare measures.

RESEARCH METHODOLOGY

Following two hypothesis have been formed for the study.

H01: There is no difference in the perception of male and female workers towards the welfare facilities provided.

H02: There is no difference in the perception of permanent and contractual workers towards the welfare facilities provided.

The sample:

Sample size of 170 workers spread across Pithampur industrial estate (M.P.).

Sample characteristics: As shown in Table 1.1, mostly females are seen employed with ‘soft work’ like textile or technical textiles, gems & jewelry, packaging material, pharmaceutical etc. and even in this case also the gender ratio (male : female) is 75 : 25. Being male researcher it sometimes became difficult to approach a female worker and in some cases female will shy away.

The study has mostly permanent and less contractual workers sample as shown in Table 1.2. Some contractual workers were diffident towards the study and the best known reason was the apprehension that they would lose the job if company comes to know of their participation. Though the researcher tried to assure them that their identity would not be disclosed but still they would come up with one another reason for not participating. Some contractual workers took the questionnaires but never returned due to their shift in working place (in some cases outside the state). Yet another factor is that, firms engaged in exports least employ contractual labour as they are governed by best practices or code of business. Similar findings were reported by Singh et al. (2016).

Data Collection - The data of this study was collected from both primary and secondary sources. Primary data was collected through questionnaire. ILO’s recommendations and Dr. S K Srivastav’s Labor Welfare inventory (2002) were primarily consulted to develop the questionnaire. Questions of similar nature were grouped together. The grouping of questions were done into six facilities, namely Cooperative shop, Support for education, Loan, Transportation, Recreation and Housing facility. The statements in the questionnaire aimed at looking the adequacy of the facility. Publications from labour department, Government of India, ILO, and other relevant national & International agencies, journals, books and other appropriate resources constituted the secondary data.
Tools for Data Analysis - In order to derive meaningful conclusion from data different statistical tools have been employed by the researchers. The hypotheses were tested using T-test. These tools were applied through SPSS.

RESULTS AND DISCUSSION

With a male averaging to 3.19 and females 2.82, it can be said that males have a better perception of welfare facilities (Table 1.3). However women workers are considered to be more compliant, loyal and law-abiding in nature than men. (Afsar, 2002) But the result of T – Test (Table 1.4) indicate that F = 3.119, is not significant at .079. This means that the null hypothesis “There is no difference in the perception of males and females towards the welfare facilities provided” is not rejected. Similarly, Garg and Jain (2013) in their study of cotton textile industry in Punjab also found that there is no significant difference between gender and satisfaction from welfare facilities. Mohideen and Ishaq (2015), in their study at L.S. mills limited, Tamilnadu, concluded that there is no significant relationship between gender and level of satisfaction. Similarly Hemlata, Monica and Rao (2017) also found that welfare and gender of the respondents had no significant impact.

Permanent workers have an average of 3.32 and contractual 2.18, indicating that permanent have a better perception of welfare facilities (Table 1.5). This is in line with research conducted by Abraham & Sasikumar (2010) that permanent workers enjoy considerable amount of benefits as compared to contractual workers. However the result of T – Test (Table 1.6) indicate that F = 1.450, is not significant at .230. This means that the null hypothesis “There is no difference in the perception of permanent and contractual workers towards the welfare facilities provided.” is not rejected. The possible explanations can be - Some contractual workers were diffident towards the study and the best known reason was the apprehension that they would lose the job if company comes to know of their participation. Another explanation of the data flows from the concept that textile being labour intensive sector, faces shortage of labour, so employing labour in contractual capacity will drift away rather than attracting workforce and having much differences in permanent and contractual will aggravate the problem of labour shortage. Yet another explanation could be that a group of company does not employ workers through contractors rather they would put freshers on the roll of a sister concern and with upgradation of skills, they are shifted to company’s roll with grade benefits applicable. ILO (2015) in its work - Insights into working conditions in India’s garment industry, highlighting the status of employment found that 15 % of workers were contract workers, employed by a third party; most were directly hired by the company.

CONCLUSION

Chhabra & Kushwah (2012) indicated in their research that most of the workers and HR also agrees that given better opportunity in terms of salary, workers will switch but welfare beyond norms would be an added advantage in building ‘loyalty’. All companies would be doing what is required by law, so the differentiating aspect will be these facilities which are beyond the purview of legal requirements.

People have an important role to play in the growth of any organisation. They constitute the organization at all levels and are regarded as a dynamic factor of production. It is for the management to see that the workers get economic, social and individual satisfaction, through the welfare activities that are undertaken by the company. Welfare in true sense would not just be providing facilities or adopting certain measures – mandated or non-mandated rather it is ensuring that benefits are actually passed on to beneficiaries and beneficiaries actually ‘feel’ benefited. Finally, if a facility is to be maintained whether on a statutory or voluntary basis should be provided in its full form and true spirit.

REFERENCES


17. Mishra S and Bhagat M (2007), Principles for successful implementation of labour welfare activities, Personnel Today, National Institute of Personnel Management,


Table – 1.1

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Table 1.2 Distribution of workers – Employment status

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Table 1.3 T – Test - Gender

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Table 1.4 Levene's test for equality of variances

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Table 1.5 T – Test – Employment Status

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Table 1.6 Levene's Test for Equality of Variances

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